

IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF HAWAII

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MAR 21 2003

In re

HAWAIIAN AIRLINES, INC.,
a Hawaii corporation,

Debtor.

Case No. 03 - 00817
(Chapter 11)

**ORDER PURSUANT TO SECTIONS
105(a) AND 363(b) OF THE
BANKRUPTCY CODE AUTHORIZING
THE DEBTOR TO (i) CONTINUE THE
WORKERS' COMPENSATION
PROGRAMS, INSURANCE POLICIES,
AND AGREEMENTS RELATING
THERE TO, AND (ii) PAY ALL
OBLIGATIONS IN RESPECT
THEREOF**

This matter coming before the Court on the Motion for an Order Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code for Authorization to (i) Continue the Debtor's Workers' Compensation Programs, Insurance Policies, and Agreements Relating Thereto, and (ii) Pay all Obligations in Respect thereof (the "Motion"),¹ filed by the above-captioned debtor and debtor in possession (the "Debtor"); the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), (c) venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409, and (d) proper and adequate notice of the Motion and the hearing thereon has been given and that no other or further notice is necessary; and the Court having

considered the Declaration of Christine R. Deister in Support of First-Day Motions and Applications; and the Court having considered all evidence and oral arguments of counsel in support of the Motion; and the Court having determined that the legal and factual basis set forth in the Motion establish just cause for the relief granted herein and the Court having determined that the relief sought in the Motion is in the best interest of the Debtor and its estate; and after due deliberation and sufficient cause appearing therefor,

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED in its entirety.
2. The Debtor is authorized and empowered to maintain the Workers' Compensation Programs and the Insurance Policies, as described in the Motion, without interruption, on the same basis, and in accordance with the same practices and procedures as were in effect prior to the commencement of the Debtor's chapter 11 case.
3. The Debtor is authorized, but not required, to pay, in its discretion, all premiums, administrative fees, including the Brokers' fees, deductible payments or reimbursements, Workers' Compensation Claims, and other pre-petition obligations in connection with the Workers' Compensation Programs and the Insurance Policies, as applicable, to the extent due and payable post-petition,

¹ Capitalized terms in the Order shall have the meaning given to them in the Motion.

whether or not such premiums or amounts relate to the pre-petition period or were due prior to the commencement of this chapter 11 case, including with respect to the provision of letters of credit required in connection therewith.

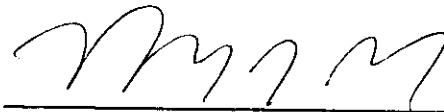
4. The Debtor's banks are authorized to process, honor and pay, to the extent of funds on deposit, any and all pre-petition checks or wire transfer requests issued by the Debtor in respect of any pre-petition obligations with respect to the Workers' Compensation Programs or Insurance Policies prior to, or after, the commencement of this chapter 11 case.

5. Nothing in this Order or the Motion shall be construed as prejudicing any rights the Debtor may have to dispute or contest the amount of, or the basis for, any claims against the Debtor in connection with or relating to the Workers' Compensation Programs or Insurance Policies.

6. Nothing in this Order or the Motion shall be deemed a request by the Debtor for authority to assume, and nothing in this Order shall be deemed authorization to assume, any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code.

7. This Court shall retain jurisdiction over any and all issues arising from or related to the implementation and interpretation of this Order.

Dated: Honolulu, Hawaii, MAR 21 2003, 2003



UNITED STATES BANKRUPTCY JUDGE

In re Hawaiian Airlines, Inc., Chapter 11, Case No. 03-00817;
ORDER PURSUANT TO SECTIONS 105(a) AND 363(b) OF THE
BANKRUPTCY CODE AUTHORIZING THE DEBTOR TO (i) CONTINUE
THE WORKERS' COMPENSATION PROGRAMS, INSURANCE POLICIES,
AND AGREEMENTS RELATING THERETO, AND (ii) PAY ALL
OBLIGATIONS IN RESPECT THEREOF